

January 29, 2008

To: ETAAC

From: Muriel Strand

Re: Restoration of Consumer Education & Choice as part of a balanced portfolio of policies

It's not news that the decades since the first Earth Day have been plagued by political polarization and stalemate due to the apparent contradictions between ecological and social sustainability. The **opportunity to provide consumer information for individual action** offers us a way to dissolve this contradiction, when there are ways (such as relocalization) to survive and thrive that can be implemented within a handful of years on an individual basis. People who have this kind of information and who acquire the skills for a sustainable future can **'vote with their feet,' walking directly toward a long-term goal** without waiting around to see if band-aid solutions can patch up outmoded paradigms. Since polarization is usually greater with further distances between people or groups, relocalization is bound to dissolve much of the post-1960s political stalemate between business and environment.

If consumers have accurate information on a dual carbon&dollar basis, they will be able to act more rationally than otherwise. What if Wal-Mart had dual shelf prices, both carbon and dollars for their items? What if a really smart economist used that kind of information to think up a way to provide healthy food and shelter sustainably for what homeless guys can get for general assistance from the county?

People who believe that global climate change is a big risk will want to act effectively. They will generally be willing to make sensible wholesome choices if they are available. Facilitating complete accurate transparent information about carbon and dollars will help people proactively conserve, adroitly deleting goods and services that take more than they're worth.

At the same time, I believe the current huge variation in wealth and poverty sabotages the conventional economic math about the accuracy of prices that are the outcome of individual estimates of values and utility. At some point, if too many people are too different economically, estimates of utility will be too heterogeneous to form a coherent market calculus.

Some specific suggestions about incorporating some of this in the final report:

Within Strategy #2

"Placing a price on carbon ... allows private markets to incorporate the value of reducing these emissions into their everyday business decisions. One potential option is a market based "cap and trade" system... Establishing a price for carbon and other GHG emissions can efficiently tilt decision-making toward cleaner alternatives."

I suggest:

"Placing a price on carbon ... allows private markets to incorporate the value of reducing these emissions into their everyday business and consumer decisions. In situations where carbon markets don't fit, providing 'dual-cost' information, where carbon and dollar cost information is paired for retail and wholesale products, would enable consumers to 'vote with their feet,'

walking away from harmful products and toward healthy choices. One potential option that may work better in corporate or wholesale markets than in retail markets is a market based “cap and trade” system... Widespread retail choices reflecting value decisions based on carbon-plus-dollar information can help establish a price for carbon and other GHG emissions that can efficiently tilt decision-making toward fundamentally cleaner alternatives.”

I also suggest:

Opportunity #0

Begin now to fundamentally rethink our production and distribution infrastructure and processes in a better way that resolves apparent contradictions between social and ecological sustainability. Build on what the rest of the world has already learned about this kind of action. Without waiting to see the outcome of recent and near-term action, revise and extend the mission of the ETAAC committee into a longer-term, bigger picture inquiry. Coordinate this effort with consumer education and empowerment measures that help people act in line with their values while minimizing carbon and maximizing comfort. Capitalize on popular interest in reducing risk and doing what’s right. We all have the same needs, just different methods for achieving them. And success will be about meeting our needs in a balanced and healthy way, not about either-or methods.”